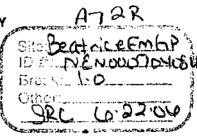


UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

JUN 22 2006



THE ADMINISTRATOR

The Honorable Chuck Hagel United States Senate Washington, DC 20510

Attention: Douglas Meckes

Dear Senator Hagel:

Thank you for your letter of May 1, 2006, regarding EPA's cleanup actions at the Beatrice Former Manufactured Gas Plant (Beatrice FMGP) site in Beatrice, NE. I am pleased to provide an update on the site and address your question concerning the determination of responsible parties.

For clarification, only a court can issue a final determination of responsible parties. EPA's role under the federal superfund law is to identify potentially responsible parties. To allow the scope of future cleanup to be defined, and to facilitate cleanup necessary to protect health and the environment at the site, EPA has made the decision to move forward with the necessary studies at the Beatrice FMGP site using superfund money.

EPA is aware of the City of Beatrice's ongoing legal issues. EPA Region 7 Administrator Jim Gulliford has spoken with Mayor Dennis Schuster several times to establish a path forward that recognizes the litigation concerning the city's acquisition of the property, and the need to prepare for the remediation of the site. While it is not possible to predict how long the studies and response selection will take, the current estimate is that the process will be completed in 8 to 12 months. In effect, this gives the city a window of opportunity to resolve its legal issues before we would approach PRPs to conduct the cleanup and pay EPA's response costs. If the city's status as a PRP changes in the future, we will consider that issue at that time.

Again, thank you for your letter. If you have any further questions or concerns, please contact me or your staff may contact Carolyn Levine in EPA's Office of Congressional and Intergovernmental Relations at 202-564-1859.

Sincerely,

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SUPERFUND RECORDS